

E-01575A-15-0127



0000163014

ORIGINAL

ARIZONA CORPORATION COMMISS

UTILITY COMPLAINT FORM

RECEIVED

Investigator: Richard Martinez

Phone:

Fax: 5 APR 27 P 12:17

Priority: Respond Within Five Days

Opinion No. 2015 - 122055

Date: 4/22/2015

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: Kevin L.

Aleman

Account Name: Kevin L. Aleman

Home: (000) 000-0000

Street:

Work:

City: Sierra Vista

CBR:

State: AZ Zip: 85635

is:

Utility Company: Sulphur Springs Valley Electric Cooperative, Inc.

Division: Electric

Contact Name:

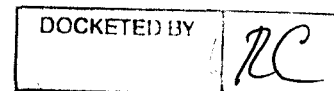
Arizona Corporation Commission
Contact Phone:

Nature of Complaint:

Docket No.: E-01575A-15-0127

APR 27 2015

(Yellow highlights are quotes taken from the SSVEC Notice)
I am opposed to granting SSVEC their requested exemption.



1. The "Important Notice to Sulphur Springs Valley Electric Cooperative Members" (hereafter referred to as the SSVEC Notice) does not contain a publication date. It was not conspicuously distributed to the SSVEC customers. Also, this 'quiet' notice failed to provide enough lead time to SSVEC customers (especially their solar power customers) to formulate a responsible and informed reply prior to certain deadlines listed on the notice.
2. SSVEC is attempting to dramatically alter the conditions in which I acquired my solar power investment.
- A. SSVEC claims that they are, "... attempting to maintain a fair playing field for all of our members." How is a solar power surplus revenue reduction of over 75% fair to all of their members? It is certainly unfair to the solar power members!
- B. SSVEC claims that it is required "... to pay over 4 times more than we otherwise would for the power that our non-solar customers use." I admit that this is unfair to SSVEC. However, for solar power customers to receive a reduction from 12.6 cents per kWh down to 3.07 cents per kWh is just as unfair!
- C. Solar power is not a perfect solution to residential alternative energy. I do not have exact knowledge of how SSVEC acquires and redistributes the surplus electricity among the needing customers.
- 1) Therefore, I ask that SSVEC and the ACC keep in mind that when I use the electrical grid (for about 18 hours each day on average), I am one of those needing customers!
- 2) This also proves that non solar power customers are not the only parties allegedly subsidizing the surplus solar power producers. According to the SSVEC Notice, I am subsidizing myself!
3. The SSVEC Notice claims that, "We [SSVEC] are pro solar". However, SSVEC appears to have forgotten how much they needed the solar power customers in order to conform to their 'solar quota' by the deadline.
4. I have listed the reasons (in order of importance) in which we decided to purchase our solar power investment. According to my calculations, the exemption sought by SSVEC will interfere with items a, b, & c listed below; our three most important reasons for investing into solar power:
- a. Dramatically reduce electrical bills to save money

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

- b. Increase the value of our home
 - c. Increase the marketability and resale probability of our home
 - d. Moves us closer to a 'green' state of living
 - e. Reduce our dependency on the local utility company
 - f. Supports the requirement for our local utility distributor (SSVEC) to attain their 'solar quota' of customers
5. The SSVEC Notice reads that, "In order to remain under the current rules or tariff, SSVEC members' PV systems must have been installed or have a signed "request for interconnection and reservation agreement" at one of the SSVEC offices by the close of business on April 14, 2015."
- a. Who decided on this date for the Interconnection & Reservation Agreement (IRA) & why?
 - B. By what authority was the date of April 14, 2015 decided for the IRA?
 - C. April 14, 2015 was so close to the SSVEC Notice distribution date [unknown] that it is irresponsible to even consider the proposed exemption.
 - D. I believe that SSVEC is being intentionally subversive. This is not a cooperative partnership!
6. The SSVEC Notice reads, "If this negotiation is successful, and our board of directors and the ACC approve, this project will put SSVEC at over 95% of its 2025 goal by the end of 2017." Clearly, this milestone is well ahead of schedule by nearly 8 years!
- A. I believe that this 95% milestone is a major factor for placing unnecessary pressure for SSVEC to meet its 2025 deadline. Therefore, SSVEC has suffered a self-inflicted condition.
 - B. I believe that this same milestone is a major factor for SSVEC's alleged need to reduce compensation for surplus solar power to solar power customers. Predominately, it is therefore, self-inflicted as well.
7. SSVEC claims to have "... 41 school community solar projects (in 2009) and two other large solar projects; one in San Simon and the other I Sonoita (in 2012)."
- a. If SSVEC owns these projects, it indicates that SSVEC is obtaining more of its supplied power from less costly means. Ultimately, the customers will save money. However, this will also be used to justify greater future reductions for surplus electricity compensation to their solar power customers.
 - B. If SSVEC does not own these projects, it means that these solar power entities are being subsidized by the non-solar power customers as well. However, these SSVEC customers are not mentioned in the same context in which we private residential SSVEC solar power citizens are faulted within the SSVEC Notice. Why is SSVEC implying a specific party is at fault and volunteering incomplete information?
- C. Possible conclusion: It appears that SSVEC desires to monopolize solar power. SSVEC is "... in the process of evaluating final bids on a 20 MW Purchase Power Agreement." They allow themselves to seek better energy alternative means of obtaining electrical power to lessen their dependency on their supplier(s). Why can't we as residents do the same? We are just as motivated to save money as anyone else. I feel that SSVEC is not pro-solar!
- D. If the exemption is granted and the compensation for surplus solar power is based upon e.g., SSVEC's wholesale cost to acquire the power, this will only prolong the ROI for the solar power customers.
8. The SSVEC notice reads, "Today, not everyone is paying their fair share, which is why it is important to discuss this net metering issue."
- a. How is it that solar power customers are not paying their fair share? The solar power customers are paying the same for the basic service fee and per kWh for electricity as the non-solar power customers.
 - B. This is an SSVEC attempt to imply that solar power customers are not paying their fair share. But, since I pay the same for the basic service fee and the same amount for each kWh, doesn't this indicate that the non-solar power customers are not paying their fair share as well? Essentially, no one is paying their fair share for service and consumption. Why is this not indicated in the SSVEC Notice?
9. The SSVEC Notice reads, "In other words, most people selling us solar power are paying little or nothing for the use of the poles and wire and the cost of operating and maintaining the system (even though they use that system whenever they are not generating enough solar power to meet all their needs)."
- a. I have never been notified of SSVEC's need to install additional substations, transformers, poles, etc.
 - B. I have never been notified that any additional installation of such solely for the purpose of solar power customers has occurred.
 - C. Solar and non-solar customers pay the monthly basic fee of \$10.25 per connection.
 - D. Solar and non-solar customers pay the same amount for each kWh of electricity provided by SSVEC.
 - E. As such, this means that solar power customers have just as much right to accessing the SSVEC electrical grid 24/7/365 as non-solar power customers.
 - F. SSVEC is intentionally demonizing its existing solar power customers! Also, please note that I have paid for

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

my own photovoltaic meter, which is attached to my house.

G.The solar power customers did not establish the law requiring SSVEC to purchase surplus solar power from those same solar power customers.

H.The solar power customers did not establish the law requiring SSVEC to pay full retail price for surplus power from those same solar power customers.

i.We pay the same charges in every way as the non-solar power customers pay for electrical availability on demand 24/7/365!

J.I am certain that SSVEC knew all of this prior to writing and disseminating their recent notice. Why didn't they notify their customers much earlier?

K.The SSVEC Notification states, "So, they're [solar power customers] getting a subsidy of \$61.64 per month from the non-solar power customers when they sell us wholesale power at retail rates." This is false. In order to obtain the subsidy of \$61.64 per month, solar power surplus producers would have to 'over-generate' solar power 24/7/365. However, we do not generate a surplus 24/7/365 because we use electricity at night, but we do not generate solar power nocturnally.

L. The SSVEC Notice reads, "The typical residential solar system produces power, on average, for about 6 hours per day." This means that we should pay only \$7.69 per month for the basic service fee since we are only using the grid 75% of the time! Instead, solar power system residents pay 100% for grid access! Even if residential solar power system customers generated an electrical surplus during the entire 6 hours of each day, how does this fail to entitle us to access to the SSVEC electrical grid 24/7/365?

10.The SSVEC Notification states that "Traditionally, SSVEC and many other electric utilities charged a fixed monthly fee for those facilities that was well below the actual cost - and made up the difference in what they charged for the energy itself per kilowatt-hour. This has kept the cost of energy high so other energy sources looked like they were more competitive in pricing."

a.This is not the fault of the solar power customers. Why are we being demonized?

B.The quote from the SSVEC Notice means that SSVEC has been using the high-consumption electrical customers to subsidize the low-consumption electrical customers.

Thank you for your consideration.

Mr. Kevin L. Alleman

Sierra Vista, AZ 1
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

4/22

Emailed to the Phoenix ACC office for docketing.

FILE CLOSED.

End of Comments

Date Completed: 4/22/2015

Opinion No. 2015 - 122055
